

ASSEMBLY BILL

No. 1576

Introduced by Assembly Member Nunez

February 22, 2005

An act to amend Section 26003 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1576, as introduced, Nunez. California Alternative Energy and Advanced Transportation Financing Authority.

Existing law, the California Alternative Energy and Advanced Transportation Financing Authority Act, establishes the California Alternative Energy and Advanced Transportation Financing Authority and prescribes the duties of the authority. Existing law defines "alternative sources" of energy, for purposes of the act, to mean the application of cogeneration technology, as defined; the conservation of energy; or the use of solar, biomass, wind, geothermal, certain hydroelectricity, or any other source of energy, the efficient use of which will reduce the use of fossil and nuclear fuels.

The bill would include in that definition the use of electricity from an existing electrical generating facility repowered for increased efficiency.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 26003 of the Public Resources Code is
- 2 amended to read:

1 26003. As used in this division, unless the context otherwise
2 requires:

3 (a) “Authority” means the California Alternative Energy and
4 Advanced Transportation Financing Authority established
5 pursuant to Section 26004, and any board, commission,
6 department, or officer succeeding to the functions of the
7 authority, or to which the powers conferred upon the authority by
8 this division shall be given.

9 (b) “Cost” as applied to a project or portion thereof financed
10 under this division means all or any part of the cost of
11 construction and acquisition of all lands, structures, real or
12 personal property or an interest therein, rights, rights-of-way,
13 franchises, easements, and interests acquired or used for a
14 project; the cost of demolishing or removing any buildings or
15 structures on land so acquired, including the cost of acquiring
16 any lands to which those buildings or structures may be moved;
17 the cost of all machinery, equipment, and furnishings, financing
18 charges, interest prior to, during, and for a period after,
19 completion of construction as determined by the authority;
20 provisions for working capital; reserves for principal and interest
21 and for extensions, enlargements, additions, replacements,
22 renovations, and improvements; the cost of architectural,
23 engineering, financial, accounting, auditing and legal services,
24 plans, specifications, estimates, administrative expenses, and
25 other expenses necessary or incident to determining the
26 feasibility of constructing any project or incident to the
27 construction, acquisition, or financing of any project.

28 (c) (1) “Alternative sources” means the application of
29 cogeneration technology, as defined in Section 25134; the
30 conservation of energy; *the use of electricity from an existing*
31 *electrical generating facility repowered for increased efficiency*;
32 or the use of solar, biomass, wind, geothermal, hydroelectricity
33 under 30 megawatts and meeting the criteria set forth in
34 paragraph (2) of subdivision (e) of Section 15351 of the
35 Government Code, or any other source of energy, the efficient
36 use of which will reduce the use of fossil and nuclear fuels.

37 (2) “Alternative sources” does not include any hydroelectric
38 facility that does not meet state laws pertaining to the control,
39 appropriation, use, and distribution of water, including, but not
40 limited to, the obtaining of applicable licenses and permits.

1 (d) “Advanced transportation technologies” means emerging
2 commercially competitive transportation-related technologies
3 identified by the authority as capable of creating long-term, high
4 value-added jobs for Californians while enhancing the state’s
5 commitment to energy conservation, pollution reduction, and
6 transportation efficiency. Those technologies may include, but
7 are not limited to, any of the following:

- 8 (1) Intelligent vehicle highway systems.
9 (2) Advanced telecommunications for transportation.
10 (3) Command, control, and communications for public transit
11 vehicles and systems.
12 (4) Electric vehicles and ultralow emission vehicles.
13 (5) High-speed rail and magnetic levitation passenger systems.
14 (6) Fuel cells.

15 (e) “Financial assistance” includes, but is not limited to, either,
16 or any combination, of the following:

17 (1) Loans, loan loss reserves, interest rate reductions, proceeds
18 of bonds issued by the authority, insurance, guarantees or other
19 credit enhancements or liquidity facilities, contributions of
20 money, property, labor, or other items of value, or any
21 combination thereof, as determined by, and approved by the
22 resolution of, the board.

23 (2) Any other type of assistance the authority determines is
24 appropriate.

25 (f) “Participating party” means either of the following:

26 (1) Any person or any entity or group of entities engaged in
27 business or operations in the state, whether organized for profit
28 or not for profit, that applies for financial assistance from the
29 authority for the purpose of implementing a project in a manner
30 prescribed by the authority.

31 (2) Any public agency or nonprofit corporation that applies for
32 financial assistance from the authority for the purpose of
33 implementing a project in a manner prescribed by the authority.

34 (g) “Project” means any land, building, improvement thereto,
35 rehabilitation, work, property, or structure, real or personal,
36 stationary or mobile, including, but not limited to, machinery and
37 equipment, whether or not in existence or under construction,
38 that utilizes, or is designed to utilize, an alternative source, or
39 that is utilized for the design, technology transfer, manufacture,

1 production, assembly, distribution, or service of advanced
2 transportation technologies.

3 (h) “Public agency” means any federal or state agency, board,
4 or commission, or any county, city and county, city, regional
5 agency, public district, or other political subdivision.

6 (i) (1) “Renewable energy” means any device or technology
7 that conserves or produces heat, processes heat, space heating,
8 water heating, steam, space cooling, refrigeration, mechanical
9 energy, electricity, or energy in any form convertible to these
10 uses, that does not expend or use conventional energy fuels, and
11 that uses any of the following electrical generation technologies:

12 (A) Biomass.

13 (B) Solar thermal.

14 (C) Photovoltaic.

15 (D) Wind.

16 (E) Geothermal.

17 (2) For purposes of this subdivision, “conventional energy
18 fuel” means any fuel derived from petroleum deposits, including,
19 but not limited to, oil, heating oil, gasoline, fuel oil, or natural
20 gas, including liquefied natural gas, or nuclear fissionable
21 materials.

22 (3) Notwithstanding paragraph (1), for purposes of this
23 section, “renewable energy” also means ultralow emission
24 equipment for energy generation based on thermal energy
25 systems such as natural gas turbines and fuel cells.

26 (j) “Revenue” means all rents, receipts, purchase payments,
27 loan repayments, and all other income or receipts derived by the
28 authority from the sale, lease, or other disposition of alternative
29 source or advanced transportation technology facilities, or the
30 making of loans to finance alternative source or advanced
31 transportation technology facilities, and any income or revenue
32 derived from the investment of any money in any fund or account
33 of the authority.